



Senate

General Assembly

File No. 31

January Session, 2023

Substitute Senate Bill No. 59

Senate, March 7, 2023

The Committee on Veterans' and Military Affairs reported through SEN. MARX of the 20th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT CONCERNING FEDERAL VETERANS' BENEFITS AND
INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC
ASSISTANCE PROGRAMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-28i of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2023, and applicable to applications filed on or after July 1, 2023*):

4 (a) To the extent permissible by federal law, the Commissioner of
5 Social Services shall disregard all federal [Aid and Attendance pension]
6 benefits administered by the United States Department of Veterans
7 Affairs that are granted to a veteran or the surviving spouse of such
8 veteran when determining income eligibility for the state's Medicare
9 savings, medical assistance and energy assistance programs
10 administered under section 17b-2. As used in this subsection, "veteran"
11 has the same meaning as provided in section 27-103.

12 Sec. 2. Subsection (a) of section 17b-104 of the general statutes is

13 repealed and the following is substituted in lieu thereof (*Effective July 1,*
14 *2023, and applicable to applications filed on or after July 1, 2023*):

15 (a) The Commissioner of Social Services shall administer the program
16 of state supplementation to the Supplemental Security Income Program
17 provided for by the Social Security Act and state law. The commissioner
18 may delegate any powers and authority to any deputy, assistant,
19 investigator or supervisor, who shall have, within the scope of the
20 power and authority so delegated, all of the power and authority of the
21 Commissioner of Social Services. The standard of need for the
22 temporary family assistance program shall be fifty-five per cent of the
23 federal poverty level. The commissioner shall make a reinvestigation, at
24 least every twelve months, of all cases receiving aid from the state,
25 except that such reinvestigation may be conducted every twenty-four
26 months for recipients of assistance to the elderly or disabled with stable
27 circumstances, and shall maintain all case records of the several
28 programs administered by the Department of Social Services so that
29 such records show, at all times, full information with respect to
30 eligibility of the applicant or recipient. In the determination of need
31 under any public assistance program, such income or earnings shall be
32 disregarded as federal law requires, and such income or earnings may
33 be disregarded as federal law permits. In determining eligibility, the
34 commissioner shall disregard from income (1) [Aid and Attendance
35 pension] all federal benefits administered by the United States
36 Department of Veterans Affairs that are granted to a veteran, as defined
37 [under] in section 27-103, or the surviving spouse of such veteran, and
38 (2) any tax refund or advance payment with respect to a refundable
39 credit to the same extent such refund or advance payment would be
40 disregarded under 26 USC 6409 in any federal program or state or local
41 program financed in whole or in part with federal funds. The
42 commissioner shall encourage and promulgate such incentive earning
43 programs as are permitted by federal law and regulations.

44 Sec. 3. Subsection (c) of section 17b-191 of the general statutes is
45 repealed and the following is substituted in lieu thereof (*Effective July 1,*
46 *2023, and applicable to applications filed on or after July 1, 2023*):

47 (c) To be eligible for cash assistance under the program, a person shall
48 (1) be (A) eighteen years of age or older; (B) a minor found by a court to
49 be emancipated pursuant to section 46b-150; or (C) under eighteen years
50 of age and the commissioner determines good cause for such person's
51 eligibility, and (2) not have assets exceeding two hundred fifty dollars
52 or, if such person is married, such person and his or her spouse shall not
53 have assets exceeding five hundred dollars. In determining eligibility,
54 the commissioner shall [not consider as] disregard from income (A) [Aid
55 and Attendance pension] all federal benefits administered by the United
56 States Department of Veterans Affairs that are granted to a veteran, as
57 defined in section 27-103, or the surviving spouse of such veteran; and
58 (B) any tax refund or advance payment with respect to a refundable
59 credit to the same extent such refund or advance payment would be
60 disregarded under 26 USC 6409 in any federal program or state or local
61 program financed in whole or in part with federal funds. No person who
62 is a substance abuser and refuses or fails to enter available, appropriate
63 treatment shall be eligible for cash assistance under the program until
64 such person enters treatment. No person whose benefits from the
65 temporary family assistance program have terminated as a result of
66 time-limited benefits or for failure to comply with a program
67 requirement shall be eligible for cash assistance under the program.

68 Sec. 4. Section 17b-256f of the general statutes is repealed and the
69 following is substituted in lieu thereof (*Effective July 1, 2023, and*
70 *applicable to applications filed on or after July 1, 2023*):

71 The Commissioner of Social Services shall increase income disregards
72 used to determine eligibility by the Department of Social Services for the
73 federal Qualified Medicare Beneficiary, the Specified Low-Income
74 Medicare Beneficiary and the Qualifying Individual programs,
75 administered in accordance with the provisions of 42 USC 1396d(p), by
76 such amounts that shall result in persons with income that is (1) less
77 than two hundred eleven per cent of the federal poverty level qualifying
78 for the Qualified Medicare Beneficiary program, (2) at or above two
79 hundred eleven per cent of the federal poverty level but less than two
80 hundred thirty-one per cent of the federal poverty level qualifying for

81 the Specified Low-Income Medicare Beneficiary program, and (3) at or
82 above two hundred thirty-one per cent of the federal poverty level but
83 less than two hundred forty-six per cent of the federal poverty level
84 qualifying for the Qualifying Individual program. The commissioner
85 shall not apply an asset test for eligibility under the Medicare Savings
86 Program. The commissioner shall [not consider as] disregard from
87 income [Aid and Attendance pension] all federal benefits administered
88 by the United States Department of Veterans Affairs that are granted to
89 a veteran, as defined in section 27-103, or the surviving spouse of such
90 veteran. The Commissioner of Social Services, pursuant to section 17b-
91 10, may implement policies and procedures to administer the provisions
92 of this section while in the process of adopting such policies and
93 procedures in regulation form, provided the commissioner prints notice
94 of the intent to adopt the regulations on the department's Internet web
95 site and the eRegulations System not later than twenty days after the
96 date of implementation. Such policies and procedures shall be valid
97 until the time final regulations are adopted.

98 Sec. 5. Subsection (a) of section 17b-261 of the general statutes is
99 repealed and the following is substituted in lieu thereof (*Effective July 1,*
100 *2023, and applicable to applications filed on or after July 1, 2023*):

101 (a) Medical assistance shall be provided for any otherwise eligible
102 person (1) whose income, including any available support from legally
103 liable relatives and the income of the person's spouse or dependent
104 child, is not more than one hundred forty-three per cent, pending
105 approval of a federal waiver applied for pursuant to subsection (e) of
106 this section, of the benefit amount paid to a person with no income
107 under the temporary family assistance program, and (2) if such person
108 is an institutionalized individual as defined in Section 1917 of the Social
109 Security Act, 42 USC 1396p(h)(3), and has not made an assignment or
110 transfer or other disposition of property for less than fair market value
111 for the purpose of establishing eligibility for benefits or assistance under
112 this section. Any such disposition shall be treated in accordance with
113 Section 1917(c) of the Social Security Act, 42 USC 1396p(c). Any
114 disposition of property made on behalf of an applicant or recipient or

115 the spouse of an applicant or recipient by a guardian, conservator,
116 person authorized to make such disposition pursuant to a power of
117 attorney or other person so authorized by law shall be attributed to such
118 applicant, recipient or spouse. A disposition of property ordered by a
119 court shall be evaluated in accordance with the standards applied to any
120 other such disposition for the purpose of determining eligibility. The
121 commissioner shall establish the standards for eligibility for medical
122 assistance at one hundred forty-three per cent of the benefit amount
123 paid to a household of equal size with no income under the temporary
124 family assistance program. In determining eligibility, the commissioner
125 shall [not consider as] disregard from income [Aid and Attendance
126 pension] all federal benefits administered by the United States
127 Department of Veterans Affairs that are granted to a veteran, as defined
128 in section 27-103, or the surviving spouse of such veteran. Except as
129 provided in section 17b-277 and section 17b-292, the medical assistance
130 program shall provide coverage to persons under the age of nineteen
131 with household income up to one hundred ninety-six per cent of the
132 federal poverty level without an asset limit and to persons under the age
133 of nineteen, who qualify for coverage under Section 1931 of the Social
134 Security Act, with household income not exceeding one hundred
135 ninety-six per cent of the federal poverty level without an asset limit,
136 and their parents and needy caretaker relatives, who qualify for
137 coverage under Section 1931 of the Social Security Act, with household
138 income not exceeding one hundred fifty-five per cent of the federal
139 poverty level without an asset limit. Such levels shall be based on the
140 regional differences in such benefit amount, if applicable, unless such
141 levels based on regional differences are not in conformance with federal
142 law. Any income in excess of the applicable amounts shall be applied as
143 may be required by said federal law, and assistance shall be granted for
144 the balance of the cost of authorized medical assistance. The
145 Commissioner of Social Services shall provide applicants for assistance
146 under this section, at the time of application, with a written statement
147 advising them of (A) the effect of an assignment or transfer or other
148 disposition of property on eligibility for benefits or assistance, (B) the
149 effect that having income that exceeds the limits prescribed in this

150 subsection will have with respect to program eligibility, and (C) the
151 availability of, and eligibility for, services provided by the Connecticut
152 Home Visiting System, established pursuant to section 17b-751b. For
153 coverage dates on or after January 1, 2014, the department shall use the
154 modified adjusted gross income financial eligibility rules set forth in
155 Section 1902(e)(14) of the Social Security Act and the implementing
156 regulations to determine eligibility for HUSKY A, HUSKY B and
157 HUSKY D applicants, as defined in section 17b-290. Persons who are
158 determined ineligible for assistance pursuant to this section shall be
159 provided a written statement notifying such persons of their ineligibility
160 and advising such persons of their potential eligibility for one of the
161 other insurance affordability programs as defined in 42 CFR 435.4.

162 Sec. 6. Subsection (l) of section 17b-342 of the general statutes is
163 repealed and the following is substituted in lieu thereof (*Effective July 1,*
164 *2023, and applicable to applications filed on or after July 1, 2023*):

165 (l) In determining eligibility for the program described in this section,
166 the commissioner shall [not consider as] disregard from income (1) [Aid
167 and Attendance pension] all federal benefits administered by the United
168 States Department of Veterans Affairs that are granted to a veteran, as
169 defined in section 27-103, or the surviving spouse of such veteran, and
170 (2) any tax refund or advance payment with respect to a refundable
171 credit to the same extent such refund or advance payment would be
172 disregarded under 26 USC 6409 in any federal program or state or local
173 program financed in whole or in part with federal funds.

174 Sec. 7. Subsection (a) of section 17b-801 of the general statutes is
175 repealed and the following is substituted in lieu thereof (*Effective July 1,*
176 *2023, and applicable to applications filed on or after July 1, 2023*):

177 (a) The Commissioner of Social Services shall administer a state-
178 appropriated fuel assistance program to provide, within available
179 appropriations, fuel assistance to elderly and disabled persons whose
180 household gross income is above the income eligibility guidelines for
181 the Connecticut energy assistance program but does not exceed two
182 hundred per cent of federal poverty guidelines. The income eligibility

183 guidelines for the state-appropriated fuel assistance program shall be
 184 determined, annually, by the Commissioner of Social Services, in
 185 conjunction with the Secretary of the Office of Policy and Management.
 186 In determining eligibility, the commissioner shall [not consider as]
 187 disregard from income [Aid and Attendance pension] all federal
 188 benefits administered by the United States Department of Veterans
 189 Affairs that are granted to a veteran, as defined [under] in section 27-
 190 103, or the surviving spouse of such veteran. The commissioner may
 191 adopt regulations, in accordance with the provisions of chapter 54, to
 192 implement the provisions of this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-28i(a)
Sec. 2	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-104(a)
Sec. 3	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-191(c)
Sec. 4	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-256f
Sec. 5	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-261(a)
Sec. 6	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-342(l)

Sec. 7	<i>July 1, 2023, and applicable to applications filed on or after July 1, 2023</i>	17b-801(a)
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VA *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Social Services, Dept.	GF - Cost	Indeterminate	Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in a cost to the Department of Social Services (DSS) associated with disregarding any federal benefits for veterans or their surviving spouses for purposes of determining income eligibility. By reducing the income that is currently counted towards income limits, the bill increases the number of individuals who could be eligible under the following DSS programs: Medicaid, the Medicare Savings Program, State Supplement (Aid to the Aged, Blind and Disabled), State Administered General Assistance, Temporary Family Assistance, Connecticut Home Care Program for Elders, and energy assistance.

For context, there were approximately 150,000 veterans in Connecticut on 9/30/22. The number of veterans participating in the assistance programs specified by the bill is unknown. The impact of the bill is dependent on (1) the number of veterans participating in each DSS program, (2) the benefit amount being disregarded, and (3) the income limits of the program.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 59*****AN ACT CONCERNING FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC ASSISTANCE PROGRAMS.*****SUMMARY**

Under current law, the Department of Social Services (DSS) must disregard a veteran's or surviving spouse's federal aid and attendance pension benefits when calculating income for certain (1) means-tested state assistance programs and (2) federally funded assistance programs, to the extent allowed by federal law. This bill expands the income disregard to include any U.S. Department of Veterans Affairs (VA)-administered federal benefits (see BACKGROUND).

Under the bill, the income disregards apply to the following programs:

1. Medicaid (§§ 1 & 5),
2. Medicare Savings Program (§§ 1 & 4),
3. Connecticut Energy Assistance Program (§ 1),
4. State Administered General Assistance (§ 3),
5. State Supplement Program (§ 2),
6. Temporary Family Assistance (§ 2),
7. Connecticut Home Care Program for Elders (§ 6), and
8. State Appropriated Fuel Assistance Program (currently inactive) (§ 7).

Under existing law, because a veteran's disability compensation payments are not subject to federal or state income tax, they are disregarded when determining eligibility for Medicaid coverage groups that must use federal modified adjusted gross income (MAGI) rules to

calculate income limits (i.e., HUSKY A, B, and D). For coverage groups that do not use MAGI rules (HUSKY C and the Medicare Savings Program), and other assistance programs listed above, current law only requires DSS to disregard aid and attendance benefits.

As under existing law, DSS may apply to the federal Centers for Medicare and Medicaid Services to amend the state Medicaid plan or seek a waiver from federal law, if necessary, to exempt these veterans' benefits (CGS § 17b-28i).

EFFECTIVE DATE: July 1, 2023, and applicable to applications filed after that date.

BACKGROUND

Aid and Attendance

The VA's aid and attendance benefit is a monthly payment added to a VA pension for qualified veterans and survivors who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity.

U.S. VA-Administered Benefits

The VA administers numerous benefits for veterans (and in some cases spouses, dependents, and survivors), including (1) pension benefits (i.e., veterans and survivors' pensions and aid and attendance and housebound allowances); (2) disability benefits; (3) health care; and (4) education benefits.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable Substitute

Yea 19 Nay 0 (02/16/2023)